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Supreme Court of the United States

OCTOBER TERM, 1978

No. ~~78-1382~~

78 - 1328

BEECH AIRCRAFT CORPORATION,

Petitioner,

vs.

GALE BRABAND and ELIZABETH FORSYTHE,

Respondents.

REPLY TO RESPONSE OF RESPONDENTS TO
THE PETITION FOR WRIT OF CERTIORARI
TO THE SUPREME COURT OF ILLINOIS

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Respondents' response to the petition for certiorari simply confirms the two bases on which the United States Supreme Court review of this case is warranted.

Cannon Rule Rejected

In support of the Illinois Supreme Court's rejection of the rule announced by this Court more than 50 years ago in *Cannon Mfg. Co. v. Cudahy Co.*, 267 U.S. 333 (1925) (forum state activities of wholly-owned and controlled subsidiary not attributable to a foreign parent for pur-

poses of asserting forum state jurisdiction over the parent), respondent cites some of the other cases that have cavalierly discarded the *Cannon* rule. These cases, plus numerous other cases (both following and refusing to follow *Cannon*) were already set forth in the petition (pp. 11-15) since it is this conflict which makes a Supreme Court decision on the continuing vitality of *Cannon* so appropriate and necessary to the orderly administration of justice throughout the circuits, the districts and the states.

No Other Constitutional Basis For Asserting Jurisdiction Over Beech In This Case

Respondents point out, as did the petition (Point II), that the Illinois Supreme Court, unwilling to rest its entire opinion on a rejection of *Cannon*, also relied on Beech's activities in Illinois (apart from Hartzog) to justify its finding of Illinois jurisdiction over Beech for this Canadian aircrash. But despite respondents' claim that these activities were "extensive" (Response p. 8), the record fact remains that the only activities in Illinois by Beech upon which general jurisdiction was based were as follows:

1. Beech's marketing manager "frequently" (12 times in 9 years) came to Illinois to promote the sale of Beech airplanes (Ill. Sup. Ct. Opinion, Appx. 53; E66¹).

2. Beech representatives once put on a sales dinner in Illinois (no sales were consummated) (Ill. Sup. Ct. Opinion Appx. 53; E67).

3. The Beech logo appeared in the Chicago telephone directory in an ad for Hartzog (Ill. Sup. Ct. Opinion Appx. 53; E97).²

¹ Excerpts to Record.

² Hartzog also advertised and sold airplanes made by other manufacturers besides Beech (E104, 106).

No case that we are aware of has ever found that such isolated and sporadic activities constitute the "continuous", "systematic" and "substantial" business activities necessary to subject a foreign corporation to suit "on causes of action *not connected with the activities there*", *International Shoe Co. v. Washington*, 326 U.S. 310, 317 (1945) (emphasis added).

For the type of forum state activities that are necessary to establish general jurisdiction over a foreign corporation for causes of action unrelated to those activities, see *Perkins v. Benguet Consolidated Mining Co.*, 342 U.S. 437 (1952) (Petition pp. 16-17).

CONCLUSION

For the reasons set forth herein and in the petition for certiorari heretofore filed, petitioner, Beech Aircraft Corporation, respectfully requests that a writ of certiorari issue to review the judgment of the Illinois Supreme Court herein.

Respectfully submitted,

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